

FISCAL NOTE

Bill #: SB0164

Title: Require use of noxious weed trust fund and provide alternative funding

Primary

Sponsor: Ken Mesaros

Status: As introduced/amended by Senate Tax

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
State Special Revenue	\$77,063	\$154,125
Revenue:		
State Special Revenue	(\$1,125,000)	(\$1,125,000)
Other: Non-expendable Trust	\$1,125,000	\$1,125,000
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

Department of Agriculture:

1. \$1,125,000 each year will be transferred from the highway non-restricted account in 15-70-125 to the Noxious Weed Trust Fund in 80-7-810(2).
2. These transferred revenues terminate July 1, 2001 at the end of the biennium.
3. The principal must be retained in trust until it reaches \$10 million dollars. Interest or revenue generated must be deposited in the Noxious Weed special revenue fund. Interest generated is estimated to be \$77,063 in FY 2000 and \$154,125 in FY 2001 (based upon average interest earnings of short and long-term investments of 6.85%). Expenditure of these revenues is set forth in section 80-7-816, MCA.

4. The addition of two new advisory council members representing weed districts, attending 3 council meetings per year for a total of 10 days would result in lodging, meals and mileage cost of \$1,870 per year.
5. \$75,193 and \$152,255 in fiscal year 2000 and 2001, respectively, would be available for Noxious Weed Trust Fund grants with priority on weed control in highway cut areas, parking areas, and at stream and wetland road crossings. (Interest earnings of \$77,063-meeting costs of \$1,870=\$75,193 and \$154,125-\$1,870=\$152,255).

Department of Transportation:

6. The Department of Transportation will have to make up for loss of the reallocated gasoline tax.

FISCAL IMPACT:

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Department of Agriculture:		
<u>Expenditures:</u>		
Operating Expenses	\$ 1,870	\$ 1,870
Grants	<u>75,193</u>	<u>152,255</u>
TOTAL	\$77,063	\$154,125
<u>Funding:</u>		
State Special Revenue (02)	\$77,063	\$154,125
<u>Revenues:</u>		
State Special Revenue (02)	\$77,063	\$ 154,125
Trust Fund (08)	\$1,125,000	\$1,125,000
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
State Special Revenue (02)	\$0	\$0
Other: Noxious Weed Mgmt. Trust Fund	\$1,125,000	\$1,125,000

Department of Transportation:

<u>Revenues:</u>		
State Special Revenue (02)	(\$1,125,000)	(\$1,125,000)
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
State Special Revenue (02)	(\$1,125,000)	(\$1,125,000)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Improvement of weed control is projected because of these additional grant funds which counties may make an application to receive grants.

LONG-RANGE IMPACTS:

The Noxious Weed Trust Fund of \$2.5 million dollars will be expanded to \$4.75 million dollars by June 30, 2001, which will result in additional interest to support the Noxious Weed Grants Program. The interest revenues discussed in the fiscal note will result in improved biological and non-chemical control of weeds, in a decrease of weed infestations along road right-of-ways, and in communities throughout the state because of these additional grant funds.

It is estimated by university range and crop scientists that noxious weeds adversely affect Montana crop and grazing lands by over \$100 million dollars. This estimate does not include adverse impacts on wildlife and their habitat, bodies of water, and impacts on diverse plant communities. These evasive noxious weeds are very competitive and hardy, making them hard to manage. These new funds along with private, other state and federal funds used through cooperative management operations among land managers and owners will assist in reducing the economic and environmental impacts from noxious weeds in Montana.